



## ARKANSAS SECURITIES DEPARTMENT

TO: All Broker-Dealers with a Place of Business in Arkansas

FROM: Tom Bull, Broker-Dealer Supervisor

DATE: April 12, 2004

RE: Arkansas Resident Principal Designation Letter

1. Every Broker-Dealer which has a place of business located in Arkansas must provide an Arkansas Resident Principal Designation Letter (reverse) to designate the individual(s) who will be registered principal(s) and supervise the purchase and sale of securities in Arkansas.
2. Qualifications
  - A. Principal (s) must -
    - 1) Be a resident of the State of Arkansas;
    - 2) Pass both the Representative's and Principal's securities knowledge exams for the type of business conducted by the Broker-Dealer;
    - 3) Pass the Series 63 Securities Law Exam.
    - 4) Be registered as an agent in Arkansas through the CRD system; and,
    - 5) Be designated as a principal by the properly executed letter (reverse) which may be copied or retyped.
  - B. A Broker-Dealer with more than one place of business in Arkansas may designate more than one (1) resident principal and specify the office or offices for which each resident has supervisory responsibility.
3. Designation Letter
  - A. The designating officer/general partner must be listed on the firm's Form BD currently on file with the CRD System. The Arkansas resident principal does not have to be on the Form BD.
  - B. Only if the principal is a sole proprietor, or a sole shareholder and sole officer of the firm, may the principal designate himself. In all other cases the designator must be someone other than the person being designated as the Arkansas Resident Principal.
  - C. Both the designating officer and the Arkansas Resident Principal must sign the letter.
  - D. Signatures are to be by the individuals named in the letter, not stamped or per others.

ARKANSAS RESIDENT PRINCIPAL  
DESIGNATION LETTER

TO: Mr. Michael J. Johnson, Commissioner  
Arkansas Securities Department

Pursuant to the Ark. Code Ann. § 23-42-301(e)(2), I hereby designate.

\_\_\_\_\_ (“Resident Principal”) as the  
(Arkansas Resident’s Name)

Arkansas resident registered agent who has direct supervision over the offer, purchase,  
and sale of securities in Arkansas for \_\_\_\_\_ (“Firm”).  
(Broker-Dealer Name)

This resident principal has full and continuing authority to represent the Firm and carry  
out its responsibilities under the Act.

1) \_\_\_\_\_  
(Signature of Firm’s Designating Officer/General Partner)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

2) I Hereby Accept the Supervisory Responsibility for all Offers, Purchases, and  
Sales of Securities in Arkansas.

\_\_\_\_\_  
(Signature of Arkansas Resident Principal)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date